

**THE RHODE ISLAND CONVENTION CENTER AUTHORITY 353rd
MEETING OF THE BOARD OF COMMISSIONERS August 24, 2011**

A meeting of the Board of Commissioners of the Rhode Island Convention Center Authority (hereinafter referred to as "Authority", the "CCA" or the "Board") was held on August 24, 2011 at 9:00 am at the Rhode Island Convention Center, pursuant to notice, at the Rhode Island Convention Center Boardroom, One Sabin Street, Providence, Rhode Island.

Board members present were Chairman, Jim Bennett, Commissioners, Paul MacDonald, Jeff Hirsh, Dale Venturini, Patrick Butler, Bill Daugherty, Scott Gunn, George Nee, Letitia Carter and Bernie Buonanno.

Mr. Gavitt was unable to attend.

Also present were James P. McCarvill, Executive Director, Betty Sullivan, Ken Mancuso and Kim Keough, Rhode Island Convention Center Authority; Tim Muldoon, Deb Tuton, Annie Anthony, Kathy Masino and Nancy Beauchamp, Convention Center; Larry Lepore, Cheryl Cohen, Kaitlyn Bizier and Bob Cappalli, Dunkin' Donuts Center; Alan Chille and Lynn Singleton, VMA; Kristen McGrath and Martha Sheridan, PWCVB; John Gibbons, RI Sports Commission; Bruce Leach, Legal Counsel and Eileen Smith, Recording Secretary.

Mr. Bennett called the meeting to order at 9:05 AM. He asked for a motion to approve the minutes of the June meeting and the July

special meeting. Upon a motion duly made by Mr. Buonanno and seconded by Mr. Hirsh it was unanimously

VOTED: to approve the minutes of the June meeting and the July special meeting.

Mr. Bennett asked Mr. McCarvill to present the financial information. Mr. McCarvill reported that the both June and July financial statements were included in the handout today. He said that for the month of July the VETS was dark and renovations had begun. Mr. McCarvill said that the VETS was (\$750) to budget and (\$1,997) to the previous year. Mr. McCarvill reported the Convention Center net income for July was \$156,812 to budget and (\$289,530) to the prior year. Mr. McCarvill noted that the positive variance for the month was due to a Bank of America event and a Fidelity meeting. Mr. McCarvill reported that the Dunkin' Donuts Center net income variance for the month of July was (\$51,780) to budget and (\$53,546) to the prior year. Mr. McCarvill said that although Cirque was a great show attendance was not what we expected. Mr. McCarvill reported that the most Authority income is Westin Hotel Room Tax which has decreased with the economic downturn. Mr. McCarvill stated that consolidated net income for the month of July was \$118,890 to budget and (\$338,089) to the prior year.

Mr. Hirsh reported that at the Audit Committee meeting on Tuesday,

Mr. Crawley of LGC&D presented an overview of the Fiscal Year 2011 Audited Financial Statements. Mr. Hirsh also reported that Ms. Sullivan had presented the Authority's revised Fiscal Year 2012 budget and proposed Fiscal Year 2013 budget. Mr. Bennett asked Mr. Hirsh if he was comfortable with the audit. Mr. Hirsh stated that we have had very clean audits in the past and that he expects this one to be clean as well. Mr. Hirsh asked for a motion to approve submitting the budget document to the State for their inclusion the State's budget. Upon a motion duly made by Mr. Butler and seconded by Mr. Daugherty it was unanimously

VOTED: To submit the revised 2012 and proposed 2013 budget to the Budget Office.

DUNKIN' DONUTS CENTER

Mr. Buonanno reported that the Dunkin' Donuts Center Committee had met on Tuesday and asked Mr. Lepore to update the Board on that meeting. Mr. Lepore stated that the Committee discussed the lower than expected attendance for Cirque de Soleil. Mr. Lepore noted that although we were disappointed in ticket sales the show was great and our numbers were in line with other venues. Mr. Lepore reported that he and Chairman Bennett had met with Don Law last week. He said that Don Law dominates the concert business and it is important to establish a relationship with the people that can bring events to the Dunk. Mr. Lepore reported that we are chasing

everything out there and we are negotiating to have Rascal Flats appear at the Dunkin' Donuts Center. Mr. Lepore noted that Mr. Bennett has a relationship with Bobby Orr who is involved with the Drop Kick Murhpys and they are working on a concert here on St. Patrick's Day.

Mr. McCarvill reported that and RFP has been submitted for NCAA Hockey. He said that Brown University has consented to be the sponsor school for the tournament.

Mr. Lepore stated that we have been working with the Providence Bruins and seeking their assistance with group sales. Mr. McCarvill explained the P. Bruins strategy and how they their group sales have become so successful. Mr. Bennett stated that we would like to assign group and suite sales to the P. Bruins. Mr. Buonanno asked if we have tried getting Providence College involved with the P. Bruins. Mr. Lepore indicated that we have spoken with P.C. and they have declined our assistance.

Mr. Lepore reported that Get Motivated will be here in October with speakers such as Bill Cosby, Terry Bradshaw, Rudy Giuliani, Colin Powel and many others. Mr. Lepore stated that the speakers will be in the building. He said that meetings are being held with RIPTA, City and State Police, representatives from parking facilities and anyone that might be impacted by the traffic that will be in the City that day.

Mr. Lepore distributed his monthly comparison report of competing venues. Mr. Hirsh stated that it appears that Mohegan's list of events is not as long. Mr. Lepore said that some of the acts have appeared more than once. Mr. Buonanno said that he had heard that Mohegan was not doing well. Mr. Bennett asked about the radius clause with our competition. He said that the governor is willing to meet with anyone that might help resolve this issue.

CONVENTION CENTER COMMITTEE

Mr. Hirsh asked Mr. Muldoon to update the Board on the Convention Center Committee meeting that was held on Tuesday. Mr. Muldoon reported that the Committee had voted to recommend the continuation of our relationship with the Downtown Improvement District. He said that the Convention Center allows DID to use marshalling yard to store their equipment. Mr. Muldoon asked that the agreement be extended for another 2 years. Upon a motion duly made by Ms. Venturini and seconded by Mr. Butler it was unanimously

VOTED: to continue our relationship with DID and allow storage of their equipment under the loading dock.

Mr. Muldoon noted that the concession stand remodel is nearing completion. He said that Kathy Masino is very excited about them and expects revenue increases of 10 to 15%.

Mr. Muldoon reported that there is an issue with the work done by contractor selected to do the exterior renovations. He said that personal matters have affected the firm's ability to complete the job to our satisfaction and with the quality products that were bid. Mr. MacDonald commended the Convention Center staff and the construction workers for notifying us about the situation. Mr. Muldoon said that we will get this done and done correctly. He stated that Bruce Leach is now looking into the situation. He said that a meeting took place with Calson's bonding company to discuss options. Mr. MacDonald commended Mr. Muldoon for his quick action and said that it is important to note that the workers cooperated.

Mr. Muldoon said that parking revenue is improving with the addition of 38 Studios and Hasbro. Mr. MacDonald asked if Get Motivated would be a one day event. He said that it might be an opportunity to raise the rates for the day. Mr. Muldoon said that he would be meeting with representative of other parking facilities and attempt to establish a rate that will be consistent.

Mr. McCarvill said that our new chairman has asked us to look at other business opportunities for the Convention Center. He said that we are looking at available space for vendors such as shoe shine, a barber or FedEx or UPS. Mr. Muldoon said that he would look to develop a whole package for these types of vendors.

VETS

Ms. Carter reported that the VMAF is a 501C3 charitable organization. She stated that a retreat was held at her home last week where 19 people got together to discuss the hopes for the VETS. Ms. Carter reported that people's vision for programming and increasing revenue. She stated that the group talked for 6 hours and the VMAF is enthusiastic and willing to take on this project.

Discussion ensued regarding the parking at the theater. Mr. Bennett stated that it seems like solving the parking problem would be the best way to help the VMAF. Ms. Carter said that if we can get the funds for Mike Abbott's plan the parking issue would be resolved. Mr. McCarvill explained Mr. Abbott's plan to connect to the Mall parking garage. Mr. McCarvill said that there have been conversations with the owners of the vacant lot and we are looking at alternatives. Ms. Carter said that the DOA lot has been used in the past but recently the vehicles have been vandalized. Mr. Buonanno stated that the owners of the lot will be difficult to deal with. Mr. MacDonald asked if their taxes are current. Mr. Bennett said that they are. Mr. Leach noted that the Capitol Center Commission does not want parking on that property.

MARKETING

Ms. Venturini reported that the Marketing Committee meeting met on Tuesday. She said that the team had presented their marketing plans for the year. Ms. Venturini noted that the plans are available at the Authority office if anyone would like to take a look at them.

Mr. Bennett stated that he has had some important discussions regarding the Boston Bruins and the Providence Bruins. He noted that the Boston Bruins and Sportservice are both Delaware North Companies. He said that he is aware that our contract with Sportservice runs for another two years but he would like the opportunity to sit down with all parties to craft a new deal to get more benefits for the Authority. Chairman Bennett brought to the Board's attention that since the Boston Bruins won the Stanley Cup there has been more focus on the Providence Bruins as other venues would likely compete with Providence for the team affiliation. Bangor, Maine and Lowell, MA would most likely be in competition for the franchise or affiliation. He stated that it should be our number 1 priority to enhance our relationship with the P. Bruins and act on discussions that have taken place regarding group sales, advertising sales, sponsorships and suites with an emphasis on unsold suites. Discussion ensued regarding the timing and mechanics necessary to address these issues. It was the sense of the Board that management services agreements and concession discussions go forward with the Chairman, General Counsel and the Executive Director and report back to the Board ASAP. Mr. MacDonald urged the Chairman to be aggressive in these actions to preserve our

relationship with the Providence Bruins. Mr. Bennett reported that there can be meetings with SMG and Sportservice that will explore ways to cooperate with the Authority and he expects that they will be making proposals for a new operating structure to enhance our long term relationships.

Upon a motion duly made by Mr. MacDonald and seconded by Mr. Buonanno it was unanimously

VOTED: to pursue opportunities that will ensure our continued relationship with the Providence Bruins.

Mr. Bennett asked if there was any new business. Hearing none he asked for a motion to adjourn. Upon a motion duly made by Mr. MacDonald and seconded by Mr. Gunn it was unanimously

VOTED: to adjourn at 10:45 AM